2 Everyone working lively, continuing to grow and being a proud corporate group

Introduction of Diversity & Inclusion and Work Style Reform

At the Furukawa Electric Group, our aim is to continue growing and creating new values, by allowing our diverse human resources to feel a sense of work satisfaction and to be able to demonstrate their individual strengths, while also exhibiting our total capability with unified values and judgment standards according to the principle of "One Furukawa". To accomplish this, we are engaging in various initiatives so that each individual can take a leading role in independently managing his or her own work-life balance, and can successfully achieve both personal development and the growth of the organization and company.

'One Furukawa' Activating diverse talent Improving job satisfaction Improving productivity & work style per hour Autonomous work-life Creating new value management Strategic human resource Diversity & Work Group Wellness style inclusion philosophy development & promotion reform promotion permeation utilization Human resources who embody Core Values and create the next generation

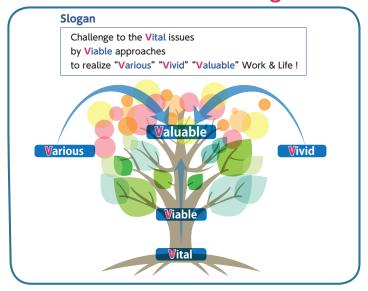
Diversity & inclusion

Although we have taken continuing actions toward arranging better working conditions for women and promoting employee work-life balance since the 2005 fiscal year, we are also proceeding with a wide range of other measures to accelerate the creation of working environments which can allow our diverse human resources to be fully active. These measures include the establishment of a Diversity Promotion Office in April 2014, activities to enhance the awareness of diversity and inclusion, measures to promote the activity to promote women's careers, and advancement of autonomous work-life management by employees.

In September 2014, we began the "Furukawa 'V' Challenge!!", the activity to promote women's careers. In tandem with other

measures, we started networking activities in FY2015 for our roughly 70 young female employees, including those in our Group companies. The objective of these activities is to build new networks among female employees that are not limited by organization or job type through investigating issues and improvement measures under the 4 themes of "balancing family and work", "forming careers", "managing and creating time", and "work style reform". In July 2016, roughly 160 participants, including executives and supervisors, gathered together for the "V Challenge!! Forum", where proposals and opinions were communicated from members to the top management on various topics. A portion of the proposals from this event have been incorporated into our initiatives as well.

Furukawa "V" Challenge !!



At the "V Challenge!! Forum": Report conference on networking activities (upper right) and scene from group work activities (lower right)





Work style reform

Our company established a specialized organization for "work style reform" in May 2015 and began related initiatives with the aim of balancing sustainable corporate growth with the enhancement of the individual lifestyles (lives) of our employees. We are promoting a variety of measures from both the perspectives of "reforming work style", with the objective of improving both productivity and job satisfaction, and "reforming our organizational culture", whose goals are to reinforce the core values of our company Group: "innovation", "ownership and speed", and "collaboration".

In January 2017, we introduced a "telework") system". By removing restrictions on work locations, this system will enable employees to perform their conventional duties more efficiently and focus on creative work. This is expected to bring about improved productivity per hour and other enhancements to work quality and performance. Furthermore, allowing work in hourly units at locations outside of the company, such as in cases where employees cannot perform work at specific times due to personal affairs, has the goal of improving work style and job satisfaction. This system functions differently from the existing "home work system" (introduced in FY2012) which is intended to support child care and nursing care, as it is usable by anyone meeting certain conditions such as application of the flex-time system.

*1) Telework

A work format which uses telecommunications technology to remove limitations on places and times for performing duties.

The term is formed from a combination of "tele" ("distant") and "work".



"IkuBoss": A boss (manager) who develops him/herself, employees working under his/her jurisdiction, the organization, and society through work and personal life to produce outstanding results.

Feedback from Telework System User

Rieko Tanaka

(Production Control Section, Optical Fiber Production Department, Mie Works)

In the past, I experienced a lot of stress from having to take a full day off for just a 1-hour event at my child's school, even though I had tasks that needed to be completed within the week. Telework lets me effectively use the time for both work and my family in total, letting me do my work comfortably and without worry. I can also concentrate on tasks such as summarizing financial settlement data or preparing reports more fully than at my office, so I can finish them more quickly. Within the rules for telework, such as indicating work content in advance, reporting on output, and sharing information while using the system, are followed and people use it properly with consideration for each other, I believe it can help to enhance the overall output of the workplace. It has also given me the desire to expand the range of my own duties.



"I hope we can help each other out at work, and use telework to achieve even greater results", says Ms. Tanaka (left).

Initiatives of Group Companies

Furukawa Automotive Systems Inc.

At Furukawa Automotive Systems, numerical goals to be reached by the year 2025 have been set and a variety of measures are being implemented to promote women's careers, so that female employees can be enthusiastic and highly motivated in their work while balancing their careers with important life events.

In FY2016, we implemented activities to encourage child care leave taken by male employees. The results of these measures have been highly praised, allowing us to obtain the "Platinum Kurumin" certification mark, the highest rank granted to companies supporting the development of our next generation. We are also currently planning training and other activities to raise the awareness of managers and women themselves.

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Furthermore, we are implementing diverse initiatives for "work style reform". We are re-examining the orderliness of our work operations and our rules on a company-wide level, taking quick and timely action for reforming work style across the entire company. Examples of these changes include standardizing the

format of meeting materials to 1 sheet of A3-size paper, conducting "stand-up meetings" which are held with participants standing up instead of sitting, and actively using Skype⁻²⁾ for conferencing. Actions are being taken to change the mindset of employees by thoroughly enforcing steps throughout the company such as designation of every Wednesday and Friday as days for leaving work at set



Scene during stand-up meeting

times, and patrols conducted by our President himself. As a result, the monthly average number of overtime hours per person has been reduced by 20% during the 2-year period from FY2013 to FY2015.

*2) Skype conferences

Web-based conferences using communication systems shared across the Group.